

P.S.C. KY. NO. _____

CANCELLING P.S.C. KY. NO. _____

EASTERN
ROCKCASTLE WATER ASSOCIATION, INC.

OF
Climax, Kentucky

RATES & CHARGES
AND
RULES & REGULATIONS
FOR FURNISHING
WATER SERVICE

AT

ORLANDO, CLIMAX, THREE LINKS, SAND HILL, AND SAND SPRINGS SECTIONS OF
ROCKCASTLE COUNTY, KENTUCKY AND RICE HILL ROAD, ROBINSON ROAD AND WOLF
PEN ROAD IN JACKSON COUNTY, KENTUCKY

FILED WITH THE
PUBLIC SERVICE COMMISSION
OF
KENTUCKY

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY Dell F. Ponder
(Signature of Officer)

TITLE President

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 2004

PURSUANT TO 807 KAR 5011
SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn. Inc.

P.S.C. KY. NO. _____

_____ SHEET NO. 2 _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Eastern Rockcastle Water Association Inc.
(Name of Utility)

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(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn. Inc.

P.S.C. KY. NO. _____

_____ SHEET NO. 3 _____

Eastern Rockcastle Water Association Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

SECTION 1. MONTHLY WATER RATES

The rates and charges for water service to members are hereby fixed and established on a monthly basis as follows:

A. Minimum Monthly Water Bill

The minimum monthly bill for water service to members entitles each customer to 2,000 gallons (or less of water in each month.)

B. Monthly Water Rates

For the first 2,000 gallons or less	\$21.40 Minimum Bill
For each additional 1,000 gallons	8.50 per 1,000 gallons

C. Leak Adjustment Rates

The customer's average monthly bill plus	\$2.04 per 1,000 gallons
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TITLE President

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SECTION 9 (1)
BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc

P.S.C. KY. NO. _____

_____ SHEET NO. 4

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

RATES AND CHARGES

SECTION 2. SPECIAL NON RECURRING CHARGES

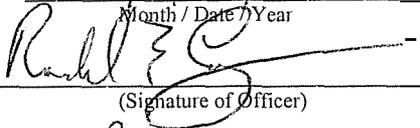
Connection Charge/Turn-on Charge	\$25.00	
Late Payment Penalty	10%	
Meter Relocation Charge	Actual Cost	
Meter Test Charge	Actual Cost	
Returned Check Charge	\$25.00	(N)
Service Charge	\$25.00	(N)
Meter Read Charge	\$ 5.00	(N)

DATE OF ISSUE 11/30/2004

Month / Date / Year

DATE EFFECTIVE 8/12/2004

Month / Date / Year

ISSUED BY 

(Signature of Officer)

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2004-00282 DATED 8/12/2004

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
8/12/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)**



Executive Director

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc.

P.S.C. KY. NO. _____

_____ SHEET NO. 5 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SECTION 3. RIGHTS ON PAYMENT OF CONNECTION CHARGES.

The payment of a connection charge by a property owner entitles the owner of such property to have the water line brought to a point in the edge of his property line or easement.

The payment of the applicable water connection charge entitles the applicant to the following:

- a. A tap at the water main.
- b. A sufficient amount of 3/4-inch tubing to extend from the water main to a point at least two feet inside the property line or utility easement of the Applicant.
- c. A complete meter installation to be installed at the point of ending of the tubing, which meter installation will consist of a meter, yoke, or other setting used, a meter box and a meter box cover.

Said connection charge is a tap-in or service charge for the privilege of connecting to the water Association, and the payment of such amount does not constitute the purchase of a water meter. Title to water meters shall at all times remain vested in the Association, and, if a meter is not used by an applicant, such meter may be removed by Association.

An additional charge shall be made for meter connections where rock is encountered, such rock condition being defined as limestone or other hard stratified material in a continuous volume of at least one cubic yard or more and which cannot be removed using ordinary excavation equipment. The charge shall be applied per linear trench foot and shall not exceed the actual cost of excavation.

SECTION 4. SPECIAL NON-RECURRING CHARGES:

- A. The utility will collect for special nonrecurring charges to recover customer-specific costs incurred which would otherwise result in monetary loss to the utility or increased rates to other customers to

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PURSUANT TO 807 KAR 0011
SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

P.S.C. KY. NO. _____

_____ SHEET NO. 6 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

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whom no benefits accrue from the service provided or action taken. The utility may establish or change any special nonrecurring charge by applying for Public Service Commission approval of such charge in accordance with the provisions of 807 KAR 5:011, Section 10.

- B. Special nonrecurring charges will be applied uniformly throughout the area served by the utility. Such charges will relate directly to the service performed or action taken and only yield enough revenue to pay the expenses incurred in rendering the service.
- C. The utility will assess a charge for the following non-recurring services:
- 1) Connection/Turn-on Charge: Will be assessed for new service turn-ons, seasonal turn-ons, temporary service, or transfer of service. The charge will not be made for initial installation of service where a meter connection/tap-on charge is applicable.
 - 2) Late Payment Penalty: Will be assessed on the delinquent amount of the bill, less taxes.
 - 3) Meter Relocation Charge: Will be assessed when a customer or other authorized person requests that a meter be relocated, changed, or modified. Those requesting a change must reimburse the utility for the actual costs incurred, including but not limited to appropriate legal, administrative, engineering, overhead, or other related costs.
 - 4) Meter Test Charge: Will be assessed when a customer requests the utility perform a test on the customer's meter to check for accuracy, and the test shows the customer's meter is not more than two percent (2%) fast.
 - 5) Returned Check Charge: Will be assessed when a customer's check is returned, either due to insufficient funds or other reason due to customer fault.
 - 6) Service Call/Investigation Charge: Will be assessed when a customer requests the onsite presence of utility personnel to investigate a service problem and the problem is a result of the customer's own plumbing facilities, beyond the utility's delivery point, or not caused by failure of utility facilities. Any maintenance and repair of facilities beyond the utility's delivery point is the responsibility of the customer.

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(Signature of Officer)

TITLE President

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SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
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_____ SHEET NO. 7 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

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RULES AND REGULATIONS

- 7) Meter Read Charge. Will be assessed when a customer fails to read their own meter and the Association has to send an employee out to read it for the customer.

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FOR Areas of Rockcastle County/Jackson County
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_____ SHEET NO. 8 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SECTION 5. RATES ARE EXCLUSIVE OF SALES TAX.

The foregoing rates are rates to be charged by the Association and do not include sales taxes, and any applicable state sales tax shall be added to each bill as a separate charge.

SECTION 6. ALL CUSTOMERS METERED; NO FREE SERVICE.

It shall be mandatory for all customers of the Association to be metered. No one shall receive or be entitled to free water without paying the full rates herein specified.

SECTION 7. METERS READ MONTHLY BY CUSTOMER.

Water meters shall be read each month by the customer. The readings will be recorded on a meter card and returned to the Association for billing purposes. A Meter Read Charge will be assessed when the customer does not return the meter card. The amount of this charge is set forth in Section 2 of this tariff.

Each meter is read at least one time per year by the Association.

In the event that upon the occasion of a monthly meter reading, it is found that the meter of a customer is defective or non-operative, the water bill of such customer shall be computed on the basis of the average monthly water consumption of such customer shown by the three preceding monthly meter readings, provided that if no such readings are then available, the applicable water bill may be computed on the basis of an estimate of water consumption, estimated by the Superintendent of the waterworks system, subject to the adjustment upward or downward after testing the meter.

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P.S.C. KY. NO. _____

_____ SHEET NO. 9 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

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If test results on a customer's meter show an average error greater than two (2) percent fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where a utility has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, the utility shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the underbilled customer. The utility shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and the utility are unable to agree on an estimate of the time period during which the error existed, the commission shall determine the issue. In all instances of customer overbilling, the customer's account shall be credited or the overbilled amount refunded at the discretion of the customer within thirty (30) days after the final meter test results. A utility shall not require customer repayment of any underbilling to be made over a period shorter than a period coextensive with the underbilling.

SECTION 8. LEAK ADJUSTMENT POLICY

A customer may make a request for a bill adjustment in the event of a leak under the following conditions:

1. The customer must request a leak adjustment in writing to the utility.
2. The customer's bill will be based on two components. The first step will be to calculate the customer's average monthly usage over a twelve-month period. The second step will be to deduct the customer's average monthly usage (as calculated in the above) from the total amount of water that passed through the meter. The usage calculated in step one will be billed at the utility's regular rates, while the remaining usage will be charged at the per

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SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc.

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Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

thousand gallon leak adjustment rate, as set forth in the rates and charges portion of the utility's approved tariff. All water passing through the meter must be accounted and paid for by the customer. So the customer will owe the amount of his/her average bill plus the per thousand gallon leak adjustment rate for the remainder of the water that passed through the meter.

3. If meter readings are not available for an entire twelve-month period, the water bill will be estimated by the utility, subject to an upward or downward adjustment once a twelve-month average of actual meter readings can be calculated.
4. Only one (1) leak adjustment will be made per twelve-month period.

SECTION 9. OWNERS PAY CONNECTION CHARGES; OCCUPANTS PAY MONTHLY RATES.

Connection charges shall be the personal obligation of the owners of the property. All water charges, other than connection charges, shall be the primary obligation of the occupant of the lot, property or building receiving the benefits of such use and service.

SECTION 10. BILLING; COLLECTIONS; PENALTIES.

The rates or charges aforesaid shall be billed monthly on or about the first of each month, and all bills for such service shall be considered due and payable twenty (20) days after rendition. If a bill is not paid as aforesaid within such 20 day period, such bill shall be deemed delinquent, and there shall be imposed a penalty on each bill not so paid, in an amount equal to ten percent (10%) of the charges (other than sales tax) shown on the face amount of said bill not so paid, for each period of thirty (30) days thereafter that same remains unpaid. The penalty may be assessed only on any bill for rendered service. If a bill is not paid within the first thirty days after becoming delinquent (50 days after rendition), legal action will be taken.

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(Signature of Officer)

TITLE President

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SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc.

P.S.C. KY. NO. _____

_____ SHEET NO. 11 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SECTION 11. DELINQUENCY; DISCONNECTION OF WATER SERVICE; RECONNECTION.

If a bill is not paid after remaining delinquent for thirty days (50 days after rendition), the Association Manager shall mail or deliver to the customer five (5) days written notice of the Associations attempt to terminate service and if payment is not made within these five days, the manager shall thereupon turn off the water of such delinquent customer and may further enjoin the use of the water facilities of the Association until payment in full is made. If any deadline date specified falls on a Sunday or on a legal holiday, such deadline shall not expire until the end of the next secular day. If such water service is disconnected by the Association, reconnection of such service shall not be made until the customer or user pays all charges and penalties owed plus the amount of reconnection charges.

SECTION 12. DEPOSIT ON SERVICE HOOK-UP.

The Eastern Rockcastle Water Association reserved the right to charge two-twelfths (2/12) of the estimated annual water bill as a deposit. If service has been terminated for nonpayment there shall be a reconnect charge and deposit paid before service is reconnected. Deposits will be collected and refunded in accordance with 807 KAR 5:006, Section 7(f).

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(Signature of Officer)

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EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc.

P.S.C. KY. NO. _____

_____ SHEET NO. 12 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SECTION 13. LEGAL DISCLAIMERS

1. No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure appurtenance or equipment which is a part of the utility's water system. Any person violating this provision will be subject to immediate arrest and/or discontinuance of water service and shall pay the cost of repairing or replacing the utility's facilities.
2. If any loss or damage to the property of the utility or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of a customer, members of his/her household, his/her agent or employee, the cost of necessary repairs or replacements shall be paid by the customer of the utility and any liability otherwise resulting shall be that of the customer.

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ISSUED BY Dell F. Borden
(Signature of Officer)

TITLE President

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 2004

PURSUANT TO ORDER OF THE
SECTION 9.11
BY [Signature]
EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
Served by Eastern Rockcastle Water Assn., Inc.

P.S.C. KY. NO. _____

SHEET NO. 13

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

RULES AND REGULATIONS

SECTION 14. SAMPLE BILL

ENTER THIS STATE
WHEN PAYING BY MAIL
FOR PROPER CREDIT

EASTERN ROCKCASTLE WATER ASSOCIATION
P.O. BOX 540
MT. VERNON, KY 40456
Phone: (502) 266-5460

EASTERN ROCKCASTLE WATER ASSOCIATION
P.O. BOX 540
MT. VERNON, KY 40456
Phone: (502) 266-5460

Payment due at the above address by the 10th of each month. If payment is not received in office by the 20th of the month, a 10% late charge will be added. If service is disconnected, a \$25.00 reconnection fee will be added.

Payment due at the above address by the 10th of each month. If payment is not received in office by the 20th of the month, a 10% late charge will be added. If service is disconnected, a \$25.00 reconnection fee will be added.

OFFICE HOURS:
8:00 A.M. TO 4:00 P.M.
MONDAY - FRIDAY

OFFICE HOURS:
8:00 A.M. TO 4:00 P.M.
MONDAY - FRIDAY

SERVICE
CODES: WT = WATER

CODES:
E = ESTIMATED
M = METER CHANGE
F = FINAL BILL

NOT RESPONSIBLE FOR MAIL DELIVERY

APPROVED BY STATE BOARD OF PUBLIC UTILITIES AND TRANSPORTATION
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ISSUED BY Dell Z. Ponder
(Signature of Officer)

TITLE President

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EXECUTIVE DIRECTOR

FOR Areas of Rockcastle County/Jackson County
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P.S.C. KY. NO. _____

_____ SHEET NO. 14 _____

Eastern Rockcastle Water Association, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SECTION 14. SAMPLE BILL

FIRST CLASS MAIL
U.S. POSTAGE PAID

PERMIT NO. :

RETURN SERVICE REQUESTED

ACCOUNT
SERVICE AT
CLASS
DATES

BILL DATE
NET BILL

SVC.	PREVIOUS	CURRENT	USAGE	CODE
------	----------	---------	-------	------

GROSS BILL
DUE AFTER

RETURN STUB WITH PAYMENT

GROSS
DUE
AFTER

NET
DUE
NOW

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ISSUED BY Dall Z. Ponder
(Signature of Officer)

TITLE President

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 19 2004

PURSUANT TO KRS 192.001
SECTION 9(1)
BY [Signature]
EXECUTIVE DIRECTOR

WATER SHORTAGE RESPONSE PLAN

Rockcastle Water Assoc.

Section 1. Purpose. The purpose of this Plan is to provide for the declaration of official phases of water supply shortages and the implementation of voluntary and mandatory water conservation measures throughout the Rockcastle Water Assoc. in the event a shortage is declared.

Section 2. Definitions. These terms are applicable only for this Plan unless specifically noted.

- (a) "Customer" shall mean any person or entity using water for any purpose from the Rockcastle Water Assoc. water distribution system and for which either a regular charge is made or, in the case of bulk sales, a cash charge is made at the site of delivery.
- (b) "Raw Water Supplies" shall mean all water potentially available to persons in the Rockcastle Water Assoc.
- (c) "Treated Water" shall mean water that has been introduced by the Rockcastle Water Assoc. into its water distribution system, including water offered for sale. Uses of treated water are classified as follows:

Essential Water Uses (Class 1):

The following uses of water, listed by site or user type, are essential.

Domestic:

- water necessary to sustain human life and the lives of domestic pets, and to maintain minimum standards of hygiene and sanitation.

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Health Care Facilities:

- patient care and rehabilitation, including related filling and operation of swimming pools.

JUL 15 2001

PURSUANT TO 807 KAR 5.001,
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BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Water Hauling:

- sales of domestic use where not reasonably available elsewhere.

Public Use:

- firefighting,

- health and public protection purposes, if specifically approved by health officials.

Socially or Economically Important Uses (Class 2):

The following uses of water, listed by site or user type, are socially or economically important.

Domestic:

- personal, in-house water use including kitchen, bathroom and laundry.

Water Hauling:

- non-domestic, when other sources are not reasonably available elsewhere.

Commercial and Civic Use:

- commercial car and truck washes,
- laundromats
- restaurants, clubs and eating places.
- schools, churches, motels/hotels and similar commercial establishments.

Outdoor Non-Commercial Watering:

- minimal watering of vegetable gardens,
- minimal watering of trees where necessary to preserve them.

Outdoor Commercial or Public Watering (using conservation methods and when other sources of water are not available or feasible to use):

- agricultural irrigation for the production of food and fiber or the maintenance of livestock,
- watering by arboretums and public gardens of national, state, regional or community significance where necessary to preserve specimens,

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BY: Stephan Bee
SECRETARY OF THE COMMISSION

- watering by commercial nurseries at a minimum level necessary to maintain stock,
- watering at a minimum rate necessary to establish or maintain revegetation or landscape plantings required pursuant to law or regulation,

- watering of woody plants where necessary to preserve them,
- minimal watering of golf course greens.

Recreational:

- operation of municipal swimming pools and residential pools that serve more than 25 dwelling units.

Air Conditioning:

- refilling for startup at the beginning of the cooling season,
- makeup of water during the cooling season,
- refilling specifically approved by health officials where the system has been drained for health protection or repair services.

Non-Essential Uses (Class 3):

Any waste of water, as defined herein, is non-essential. The following uses of water, listed by site or user type, are non-essential.

Public Use:

- use of fire hydrants (excluding Class 1 and Class 2 uses), including use of sprinkler caps, testing fire apparatus and fire department drills,
- flushing of sewers and hydrants except as needed to ensure public health and safety as approved by health officials.

Commercial and Civic Use:

- serving water in restaurants, clubs, or eating places, except by customer request,
- failure to repair a controllable leak,
- increasing water levels in scenic and recreational ponds and lakes, except for the minimum amount required to support fish and wildlife.

Ornamental Purposes:

- fountains, reflecting pools and artificial waterfalls.

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Outdoor Non-Commercial Watering:

- - use of water for dirt control or compaction,
- watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Outdoor Commercial or Public Watering:

- expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping except when required by a site design review process,
- use of water for dirt control or compaction,
- watering of lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

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Recreational uses other than those specified in Class 2.

Non-commercial washing of motor and other vehicles.

Air Conditioning (see also Class 2 purposes):

- refilling cooling towers after draining.

(d) "Base Entitlement" shall mean the monthly usage for a customer during the same month of the preceding calendar year or the average per customer usage for each class of service during the same month of the preceding year.

(e) "Curtailed Entitlement" shall mean the monthly usage for a customer after any curtailment percentage has been applied.

(f) "Curtailement" shall mean the reduction in entitlement by some percentage to meet anticipated water shortages.

(g) Water Shortage Response Phases:

"Advisory" shall mean that conditions exist which indicate the potential for serious raw or treated water supply shortages.

"Alert" shall mean the raw or treated water supplies are consistently below seasonal averages, and if they continue to decline, may not be adequate to meet normal needs.

"Emergency" shall mean that raw or treated water supplies are below the level necessary to meet normal needs and that serious shortages exist in the area.

"Rationing" shall mean that procedures must be established to provide for the equitable distribution of critically-limited raw or treated water supplies, in order to balance demand and limited available supplies, and to assure that sufficient water is available to preserve public health and safety.

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Section 3. Applicability. The provisions of this Plan shall apply to all retail and wholesale customers of the Rockcastle Water Assoc. When implemented, this Plan becomes Rockcastle Water Assoc. Water Shortage Response Regulation.

Section 4. Entitlements. Entitlements shall be established for each customer by adjusting the base entitlement to reflect any known change in usage pattern.

Section 5. Determination of Water Shortage. Water supply and usage shall be monitored on a continuous basis. Unrestricted demand shall be projected from past records and adjusted for changes such as new developments and weather conditions on a regular basis. (Note: A sample calculation page is attached as Appendix A to assist in determining overall water levels. It is important that accurate water measurements be used.) Water shortages generally occur for two reasons, a reduction in available supplies or a system failure. Each of these has a distinct influence on the nature and duration of the conservation program implemented. Official declaration of a water shortage stage and implementation of the measures necessary to curtail water use shall be approved by the Rockcastle County Judge.

Section 6. Term of Water Shortage Declaration. Any water shortage declaration shall remain in effect until water supplies of service conditions have returned to normal. A final determination as to terminating a water shortage declaration shall be made by the Chairman of Rockcastle Water Assoc.

Section 7. Water Shortage Stage, Criteria, Conservation and Curtailment Measures.

A. Advisory Stage:

- (1) Criteria: A water advisory shall be declared when the amount of treated water or raw water available for treatment is projected to be up to 3 % below demand, or there are periods of low water pressure in one or more areas of the distribution system due to system failure or inadequacies or the State Division of Water issues a Water Shortage Watch which includes the areas from which the Rockcastle Water Association draws water. (Note: Additional conditions may be added based on local conditions.)

(2) Conservation and Curtailment Measures:

- (a) Declare a Water Shortage Advisory.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Request voluntary conservation of all non-essential (Class 3) water use.
- (e) Request wholesale customers also issue request for voluntary conservation by their customers of all non-essential (Class 3) water use.

B. Alert Stage:

- (1) Criteria: A water alert shall be declared when the amount of treated water available is projected to be up to 10 % below demand, or raw water supplies are consistently below seasonal averages and if they continue to decline, may not be adequate to meet normal needs. (Note: Additional conditions may be added based on local conditions.)

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Conservation and Curtailment Measures:

- (a) Declare Water Shortage Alert.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Prohibit all non-essential (Class 3) water uses.

- (e) Curtail entitlements to all customers by the same percentage as the projected shortage.
- (f) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of ~~3.00~~ per 1,000 gallons.

C. Emergency Stage:

1. Criteria: A Water Emergency shall be declared when the amount of treated water available is projected to be up to 20% below demand, or there are periods of no water in one or more areas of the distribution system due to low water supply or raw water supplies below the level necessary to meet normal needs. (Note: Additional conditions may be added based on local conditions.)
2. Conservation and Curtailment Measures:
 - (a) Declare Water Shortage Emergency.
 - (b) Provide proper notice to all customers and to all local news media.
 - (c) Eliminate all water leaks.
 - (d) Prohibit all Class 3 uses of water.
 - (e) Prohibit all Class 2 uses of water except Domestic uses for kitchens, bathrooms and laundries.
 - (f) Curtail all commercial and industrial entitlements (except Health Care Facilities) by 100%.
 - (g) Curtail Residential entitlements by the same percentage as the projected shortage.
 - (h) Curtail entitlements to all wholesale customers by the same percentage as the projected shortage.
 - (i) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of ~~7.00~~ per 1,000 gallons.

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D. Rationing Stage:

1. Criteria: Treated water available is greater than 8% below demand or raw water supplies are below

- the level necessary to meet essential needs, and in the opinion of Rockcastle Water Assoc mandatory rationing is required to insure adequate water is available to maintain public health and safety.
-

2. Conservation and Curtailment Measures:

- (a) Declare Water Shortage Rationing.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Prohibit all Class 3 and Class 2 uses of water.
- (e) Curtail all commercial and industrial entitlement (except Health Care Facilities) by 100%.
- (f) Curtail all residential and wholesale entitlements by the same percentage as the projected shortage.
- (g) Implement service interruptions to portions of system in accordance with approved published schedule. The schedule shall be provided to all local media.
- (h) Begin billing customer water usage in excess of curtailment entitlement at the normal rate plus an excess usage charge of ~~15.00~~ 15.00 per 1,000 gallons.

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Section 8. Enforcement of Water Restriction. Any person who violates the provisions of this Plan, who fails to carry out the duties and responsibilities imposed by this Plan, or who impedes or interferes with any action undertaken or ordered pursuant to this Plan shall be subject to the following:

- (a) If the utility official charged with implementation and enforcement of this Plan learns of any violation of any water use restriction imposed, a written notice of the violation shall be affixed to the property where the violation occurred and mailed to the customer of record. Said notice shall describe the violation and order that it be corrected, cured, or abated immediately or within 48 hours.
- (b) The notice will inform the customer of his or her right to appeal by requesting a hearing before the utility's designee. If a hearing is requested by the customer, he or she shall be given full opportunity to be heard

before termination. The governing body shall make findings of fact and decide whether service should continue or terminate.

- (c) Any customer whose water service is terminated for violating provisions of this water curtailment plan shall be subject to the approved reconnection fee prior to reconnection of service.
- (d) The excess usage charge billing provisions of this Plan shall not be put in effect if a county or city ordinance containing penalty provisions is in effect to assist enforcement of this Plan.

Section 9. Request for Exception.

(a) Exception to water use restrictions: If compliance with any curtailment measure authorized herein would cause a customer to bear extraordinary hardship, that individual or entity may apply to the Rock Castle Water Association for an exception. For these purposes, "extraordinary hardship" shall be defined as a condition which may threaten health and safety, or cause property or economic losses, each of which must be shown to be substantially more severe than the sacrifices borne by other users. If extraordinary hardship is found to exist, then an exception shall be granted and a written waiver issued to the customer. If an appeal is made, water service shall be continued until a decision is announced. Any person aggrieved by the decision may file a complaint with the Public Service Commission.

- (b) Exception to curtailment surcharge: Exceptions to excess use charges shall not be considered or granted.

Section 10. Severability. If any provision of this Plan is declared invalid by the courts, the remainder of the Plan and its applicability to other persons and circumstances shall not be affected by that declaration.

Section 11. Effective Date. This Plan shall take effect immediately upon approval by the Public Service Commission.

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